(Rs. Crores)

| | 1987 | 1988-89 | 1989-90 |
|---|---|---|---|
| | (1) | (2) | (3) |
| Civil construction | 18 | 180 | 88 |
| Turnkey | 144 | 156 | 253 |
| | | 1990-91 | 1991-92 |
| | | (4) | (5) |
| | | 171 | 233 |
| | | 632 | 464 |

(Source: EXIM Bank)

(b) A statement is attached. *(See* below)

(c) and (d) Lately project exports have shifted from West Asia and North Africa to South Asia, South East Asia, Africa regions and Russia.

**Statement**

Government has taken a number of promotional measures with a view to encourage export of projects. These include:—

(i) Grant of project assistance (CCS) to the tunc of 10% of net foreign exchange earnings from the service portion of the contracts till 21.7.1991.

(ii) Market Development Assistance for reimbursement of 50% of cost of preparation and submission of bids.

(iii) EXIM Bank, in addition to suppliers' credit and buyers' credit, has also been extending lines of credit to various developing countries with a . view to encourage export projects.

(iv) Exemption of Income Tax upto 50% on earnings from exporters of projects and Consultancy Services under Section 80-HHB and 80-0 of Income Tax Act respectively.

(v) Import of used machinery ' and equipment by the project exporters has been allowed on concessional customs duty which is only 25% ad valorem

**Effect of Exchange Rate on leather Export**

2656. SHRI P. UPENDRA: Will the PRIME MINISTER be pleased to state:

(a) whether the crisis in the European exchange rate mechanism has hit exports of Indian leather products;

(b) whether the exporters of leather products are incurring heavy losses as their earnings have dropped in rupee terms; and

(c) what action Government are taking to minimise the losses of the leather exporters?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED): (a) to (c) The global export of leather and leather products during October, 1992 as compared to October, 1991 show a rise of approximately 6% in Dollar terms. As such, the export of leather and leather products does not appear to have been adversely affected by the European Exchange Rate crisis. Such currency devaluation in international markets would affect the rupee relation from the leather sector, as can as from all other sectors. However, the situation has not yet crystalised for taking any specific action by the Government.

**Joint Venture Agreements finalised with Austria**

2657. DR. SANJAYA SINH: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that three joint ventures and five agreements of cooperation for technology transfer betwen Austria and India have been finalised; and

(b) if so, what arc the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED): (a) and (b)

In the period between August, 1991 and October, 1992, 19 August tecnical and financial collaborations have been finalised. The details thereof are as follows:—

| | |
|---|---|
| (i) Technical | 15 |
| (ii) Financial | 4 |
| TOTAL: | 19 |

**Increase in Export**

2658. DR. SANJAYA SINH: Will the PRIME MINISTER be pleased to state:

(a) the value of the country's exports in dollars terms during the last year;

(b) the value of the country's exports in dollar terms during the current year till date; and

(c) the fresh steps Government propose to take to increase exports?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED): (a) the value of India's exports in dollar terms during the financial year 1991-92 amounted to US $ 17865 million.

(b) The value of India's exports, in dollar terms, during the first six months of the current financial year *i.e.* April-September, 1992, the latest period for which the trade data is available amounted to US $ 8549 million.

(c) Several changes in trade policy were introduced since July, 1991 aimed at strengthening export incentives, eliminating a substantial volume of import licensing and rationalising the import tariff structure. Rupee has been made partially convertible to encourage generation of foreign exchange. These have been further consolidated in the new Export-Import Policy which, *inter-alia,* aims to promote productivity, modernisation and competitiveness of Indian industry and thereby to enhance its export capabilities. The policy also seeks to promote efficient and internationally competitive import substitution regulated framework for foreign trade. A short-term Action Plan for ensuring the revival of the export momentum has been formulated. Besides, 34 commodities have been identified as 'expteme focus' sectors aimed at value increase of 30% every year, in exports.

**Export Earnings from Leather Goods**

2659. SHRI SUSHILKUMAR SAMBHAJIRAO SHINDE: Will the PRIME MINISTER bepleased to state:

(a) what was the export earnings from export of all types of leather goods during the last 3 years, year-wise;

(b) the measures taken to improve production technology import, of raw materials and ensure quality control to encourage boosting up of exports of leather goods;

(c) whether Government are aware of large scale smuggling of leather hides and skins across the neighbouring countries;

(d) the details of steps taken /proposed to be taken to check these activities of tanneries in border areas;.and

(c) the names of the tanneries which are involved in illegal activities and the action taken against them?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED): (a) India's exports of Leather and Leather Products during the last three years were as under: (Value in Rs. crores)

| Item | 1989-90 | 1990-91 | 1991-92 |
|---|---|---|---|
| Finished leather | 714.59 | 802.29 | 726.21 |
| Leather footwear | 171.43 | 280.47 | 430.81 |
| Footwear components | 518.25 | 573.00 | 663.35 |
| Leather garments | 332.88 | 554.81 | 736.87 |
| Leather goods | 292.87 | 343.26 | 518.99 |
| TOTAL. | 2030.02 | 2553.83 | 3076.23 |

SOURCE: Council for leather Exports